

**THIS DISPOSITION  
IS NOT CITABLE AS  
PRECEDENT OF  
THE TTAB**

Hearing:  
July 27, 2004

**Mailed: March 31, 2005**

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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The Sea Island Company  
v.  
Kroehler Corporation and American Signature, Inc.<sup>1</sup>

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Opposition Nos. 91120712 and 91121447<sup>2</sup>  
to Application Nos. 73481430 and 75740720  
filed on June 30, 1999

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Virginia S. Taylor and Michael W. Rafter, Jr. of Kilpatrick  
Stockton for The Sea Island Company.

Donald F. Frei of Wood Herron & Evans for Kroehler  
Corporation and American Signature, Inc.

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Before Seeherman,<sup>3</sup> Quinn and Walters, Administrative  
Trademark Judges.

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<sup>1</sup> Assignments of the marks and the two applications were recorded at the USPTO subsequent to the filing of the notices of opposition. The USPTO assignment abstracts reflect conveyance of the marks and applications from Kroehler Corporation to Schottenstein Stores Corporation dba Value City Furniture and, ultimately, to American Signature, Inc., who is the current owner of the marks and applications. Therefore, we have joined American Signature, Inc. in these proceedings.

<sup>2</sup> The oppositions were consolidated by order of the Board, pursuant to opposer's motion and the stipulation of the parties, on May 7, 2001.

<sup>3</sup> Judge Seeherman has been substituted for Judge Simms, who has retired from Federal service.

Opinion by Walters, Administrative Trademark Judge:

The Sea Island Company filed its oppositions to the two applications of Kroehler Corporation, as the original applicant, to register the marks indicated below:

**Mark:** SEA ISLAND COLLECTION

**Goods:** "Furniture and home and office furnishings, namely, chairs, accent chairs, armchairs, side chairs, rockers, swivel rockers, glider rockers, tables, pedestal tables, lamp tables, side tables, end tables, occasional tables, coffee tables, cocktail tables, accent tables, dining tables, kitchen tables, dinette sets, sideboards, hunt boards, hutches, buffets, kitchen centers, namely, a free-standing combination cabinet and drawer assembly and kitchen countertop mounted thereon, kitchen storage units and kitchen work surfaces, namely, kitchen countertops, sofas, sectionals, motion sofas, motion love seats, sleeper sofas, reclining sectionals, love seats, beds, wall beds, nightstands, headboards, mirror dressers, chests, dressers, bedroom furniture suites, daybeds, bunk beds, children's beds, rollaway beds, futons, armoires, etageres, desks, file cabinets, corner cabinets, work surfaces, namely, work surface tables, benches, jewelry armoires, storage cabinets, bookcases, display cabinets, curio cabinets, wall storage shelf units, display shelves, entertainment centers, and home theater centers, CD storage units; mirrors, cheval mirrors; pillows, mattresses, box springs; fitted furniture covers," in International Class 20,

**Services:** "retail furniture store services and electronic retail of furniture using a global computer and/or communications network," in International Class 35.<sup>4</sup>

**Disclaimer:** COLLECTION

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<sup>4</sup> Application Serial No. 75740721, filed June 30, 1999, based upon an allegation of a bona fide intention to use the mark in commerce in connection with the identified goods and services.

**Mark:** AMERICAN SIGNATURE SEA ISLAND COLLECTION

**Goods:** "CD storage units," in International Class 9, and

"Furniture and home and office furnishings, namely, chairs, accent chairs, armchairs, side chairs, rocker chairs, swivel rocker chairs, glider rocker chairs, tables, pedestal tables, lamp tables, side tables, end tables, occasional tables, coffee tables, cocktail tables, accent tables, dining tables, kitchen tables, dinette sets, sideboards, buffet bases, hutches, buffets, sofas, sectional sofas, motion sofas, motion love seats, sleeper sofas, reclining sectional sofas, love seats, beds, wall beds, nightstands, headboards, mirror dressers, chests, dressers, bedroom furniture, daybeds, bunk beds, children's beds, rollaway beds, futons, armoires, etageres, desks, file cabinets, corner cabinets, work surface tables, benches, jewelry armoires, storage cabinets, bookcases, display cabinets, curio cabinets, wall storage shelf units, display shelves, entertainment centers, and home theater centers; mirrors, cheval mirrors; pillows, mattresses, box springs; fitted fabric furniture covers; kitchen storage units and countertops, and a multi-function free-standing kitchen work center containing storage, cutting surface, wine rack, writing surface table and/or desk," in International Class 20,

**Services:** "retail furniture store services and computerized on-line retail furniture store services," in International Class 35.<sup>5</sup>

**Disclaimer:** AMERICAN and COLLECTION

As grounds for the oppositions, opposer asserts, in its amended notices of opposition, that applicant's marks, when

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<sup>5</sup> Application Serial No. 75740720, filed June 30, 1999, based upon an allegation of a bona fide intention to use the mark in commerce in connection with the identified goods and services. The application includes a claim of ownership of Registration No. 2196253.

applied to applicant's goods and services, so resemble opposer's previously used, registered and famous SEA ISLAND marks, shown below, for a variety of goods and services, as to be likely to cause confusion, under Section 2(d) of the Trademark Act.<sup>6</sup>

**Registration No. 1885428; Principal Register**

**Mark:** SEA ISLAND BEACH CLUB

**Goods/Services:** snack bar services, restaurant and cocktail lounge services, and retail gift shop services, in International Class 42

**Disclaimer:** BEACH CLUB

**Status:** Registered March 21, 1995; Sections 8 (6 year) and 15 affidavits have been accepted and acknowledged, respectively.

**Registration No. 1887573; Principal Register**

**Mark:**



**Goods/Services:** resort services; namely, beach club and swimming club services and beauty care, spa and health club services, in International Class 42

**Disclaimer:** BEACH CLUB

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<sup>6</sup> In each of its original notices of opposition, opposer also asserted a dilution claim, which the Board found to be deficient. This claim was not reasserted in the amended notices of opposition.

**Status:** Registered April 4, 1995; Section 8 (6 year) and 15 affidavits have been accepted and acknowledged, respectively.

**Registration No. 1888148; Principal Register**

**Mark:**



**Goods/Services:** Personal care products and toiletries, namely hair shampoo, hair conditioner, body lotion, bath and shower gel, skin cleansing lotion, skin moisturizer lotion, skin moisturizer gel, sunscreen preparations, sun block preparations, skin dyes, namely sunless self tanning skin preparations and massage oils, in International Class 3

**Status:** Registered April 11, 1995; Section 8 (6 year) and 15 affidavits have been accepted and acknowledged, respectively.

**Registration No. 2200173; Principal Register -  
Section 2(f) in part as to the words SEA ISLAND**

**Mark:** SEA ISLAND YACHT CLUB

**Goods/Services:** Yacht club services, in International Class 41; and Restaurant and bar services and food and beverage catering services, in International Class 42

**Disclaimer:** YACHT CLUB

**Status:** Registered October 27, 1998; Section 8 (6 year) and 15 affidavits have been accepted and acknowledged, respectively.

**Registration No. 2196269; Principal Register -  
Section 2(f)**

**Mark:** SEA ISLAND YACHT CLUB

**Goods/Services:** marina services and boat and yacht charter services, in International Class 39;

**Disclaimer:** YACHT CLUB

**Status:** Registered October 13, 1998; Section 8 (6 year) and 15 affidavits have been accepted and acknowledged, respectively.

**Registration No. 1338346; Principal Register -  
Section 2(f)**

**Mark:** SEA ISLAND

**Goods/Services:** planning and laying out of residential communities and real estate brokerage and management services, in International Class 36;

barber and beauty salon services, retail flower shop services and resort hotel and restaurant services, in International Class 42;

educational services-namely, providing instruction in the fields of dancing, tennis, golf, horseback riding, skeet shooting, swimming, diving, fishing, sailing and windsurfing; entertainment services-namely, arranging and conducting tennis and golf tournaments, lectures and concerts for others; and country club and beach club services, in International Class 41;

garage and auto repair services, laundry and dry cleaning services, landscaping services and construction of resort homes and condominiums, in International Class 37

**Status:** Registered May 28, 1985; Section 8 (6 year) and 15 affidavits have been accepted and acknowledged, respectively.

**Registration No. 1338347; Principal Register -  
Section 2(f)**

**Mark:**

The logo for 'Sea Island' is written in a highly stylized, cursive script. The letters are interconnected, with the 'S' and 'I' being particularly large and ornate. The 'e' and 'a' are smaller and more compact. The 'l' and 'a' in 'Island' are also stylized, with the 'l' being a simple vertical line and the 'a' being a small circle. The overall impression is one of elegance and sophistication.

**Goods/Services:** garage and auto repair services, laundry and dry cleaning services, landscaping services and construction of resort homes and condominiums, in International Class 37;

barber and beauty salon services, retail flower shop services and resort hotel and restaurant services, in International Class 42;

educational services-namely, providing instruction in the fields of dancing, tennis, golf, horseback riding, skeet shooting, swimming, diving, fishing, sailing and windsurfing; entertainment services-namely, arranging and conducting tennis and golf tournaments, lectures and concerts for others; and country club and beach club services, in International Class 41;

planning and laying out of residential communities and real estate brokerage and management services, in International Class 36

**Description:** The mark is lined for the color green.

**Status:** Registered May 28, 1985; Section 8 (6 year) and 15 affidavits have been accepted and acknowledged, respectively.

**Registration No. 1584853; Principal Register -  
Section 2(f)**

**Mark:** SEA ISLAND

**Goods/Services:** golf clubs, in International Class 28

**Status:** February 27, 1990; Section 8 (6-year) and Section 15 affidavits have been accepted and

acknowledged, respectively; Section 8 (10-year) accepted/ Section 9 (Renewal) granted.

**Registration No. 1588010; Principal Register -  
Section 2(f) in part as to the words SEA ISLAND**

**Mark:** SEA ISLAND CLASSICS

**Goods/Services:** golf clubs, in International Class 28

**Status:** Registered March 20, 1990; Section 8 (6-year) and Section 15 affidavits have been accepted and acknowledged, respectively; Section 8 (10-year) accepted/ Section 9 (Renewal) granted.

**Registration No. 1789075; Principal Register -  
Section 2(f)**

**Mark:** SEA ISLAND

**Goods/Services:** personal care products and toiletries; namely, shampoo, hair conditioner, body lotion, bath/shower gel, sunscreen and massage oil, in International Class 3

**Status:** Registered August 24, 1993; Section 8 (6-year) and Section 15 affidavits have been accepted and acknowledged, respectively; Section 8 (10-year) accepted/ Section 9 (Renewal) granted.

Opposer also asserts that the word AMERICAN in applicant's mark refers to the United States of America (USA); that the USA "is known for its production of high quality furniture and for its native grown wood"; that applicant's products sold under its marks "are not manufactured in America and are not made of American grown wood"; and that, therefore, applicant's marks are primarily



geographically deceptively misdescriptive of applicant's products, under Section 2(e)(3) of the Trademark Act.

Applicant, in its answer, denied the salient allegations of the claims; although applicant admitted that "some of the products sold by it under the mark AMERICAN SIGNATURE SEA ISLAND COLLECTION are not manufactured within America." Applicant asserted affirmatively that no confusion is likely; that "the words 'SEA ISLAND' are diluted as a trademark formative for multi-word trademarks, and hence weak ..."; that applicant's marks are "sufficiently distinctively different from opposer's marks" to avoid confusion; that opposer's marks are not famous in view of the extensive third-party registrants and users of SEA ISLAND marks for a wide range of goods and services; and that "as used in applicant's mark, the term AMERICAN would not be understood by the consuming public as signifying the location of manufacture of the goods sold under applicant's mark or the source of the wood used in the manufacture of [such] goods."

#### *The Record*

The record as submitted by the parties includes the pleadings and the files of the involved applications. Opposer has submitted, under notice of reliance, certified copies of its pleaded registrations and excerpts from various publications. Applicant has submitted, under notice

of reliance, copies of third-party registrations and excerpts from various publications, dictionaries and Internet web sites. Submitted by the agreement of the parties are the discovery depositions taken by opposer of Merry Tipton, opposer's vice president of corporate communications, and Art Lanciers, applicant's general merchandising manager, both with accompanying exhibits. Opposer has also submitted two third-party testimony depositions with accompanying exhibits; and applicant has submitted eleven third-party testimony depositions with accompanying exhibits.<sup>7</sup> Both parties filed briefs on the case and an oral hearing was held.

*Motions to Strike Evidence*

Both opposer and applicant filed motions to strike portions of the other party's notice of reliance. We address these motions as a preliminary matter now.

*1. Opposer's Motion to Strike.*

Opposer objects to applicant's submission by notice of reliance of print-outs from various third-party Internet web sites, a print-out of a definition of "Sea Islands" from *Microsoft Encarta Encyclopedia*, which is stored on CD-ROM, and print-outs of transcripts of radio broadcasts obtained from the LEXIS-NEXIS database. Citing several Board cases

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<sup>7</sup> Both parties have filed objections to evidence submitted by the other. These objections are addressed *infra* in the body of this opinion.

regarding admissibility of Internet evidence, opposer contends that none of these items is a printed publication and, thus, such items may not be submitted by notice of reliance. In particular, opposer objects to item nos. 2-9 (print-outs from Internet websites), 14 (encyclopedia on CD-ROM), 34 and 40 (radio transcripts) of applicant's notice of reliance submitted February 11, 2003.

Regarding the admissibility of the Internet website print-outs, applicant cites several Federal district court cases and contends that "information 'printed' from the Internet exhibits the same element of self-authentication as is present for other 'printed publications' that are deemed admissible under [Trademark] Rule 2.122(e)]" (May 5, 2003 response, p. 2); that applicant's submission is properly authenticated by applicant's counsel's declaration, consistent with *Raccioppi v. Apogee Inc.*, 47 USPQ2d 1368 (TTAB 1998); and that the TTAB decisions cited by opposer "fail to recognize the ubiquitous nature of the Internet in today's marketplace." (*Id.*) In this regard, applicant makes the following statement (*id.*):

Compared to even five years ago, the reach of the Internet has become so pervasive as to be virtually universally available to every consumer in the United States. The 'transitory nature' of the information on an Internet website does not detract from its presence in the marketplace or from its availability to consumers. The Internet has truly become the first place that consumers turn to when they look for information on a company or a product. As such, the Board must

consider the information available to consumers through the Internet where that information is available.

Opposer states in its reply that the *Raccioppi* case pertains to evidence submitted in connection with a summary judgment motion, rather than, as here, for final decision. Opposer also points out that the Internet evidence cases cited by applicant are older than the relevant Board cases, and are decided under the Federal Rules, which do not include a rule similar to Trademark Rule 2.122(e).

We agree with opposer that, under the established precedent of the Board, usually an applicant may not submit excerpts from Internet websites by notice of reliance.<sup>8</sup> Most excerpts from Internet websites differ from printed publications, which may be introduced by notice of reliance. Regardless of the ubiquitous nature of the Internet, most website excerpts are not analogous to printed publications because of the fact that the website is always subject to change, i.e., the subject matter of the website may not be the same the next time the website is accessed, whether it is ten minutes or ten days later, and there may be no indication thereon that it has been changed. Thus, an Internet website is simply not self-authenticating. *See, In re Total Quality Group Inc.*, 51 USPQ2d 1474 (TTAB 1999); and

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<sup>8</sup> Some websites may be merely Internet versions of printed publications, such as daily newspapers. To the extent that these websites mirror the printed publication and are not subject to changes in subject matter

*Raccioppi v. Apogee Inc.*, 47 USPQ2d 1368 (TTAB 1998).

Therefore, we grant opposer's motion to strike Exhibit Nos. 2-9 to applicant's notice of reliance and this evidence has not been considered.

Regarding the CD-ROM encyclopedia entry, applicant contends that this CD-ROM publication is generally available to the public because it is provided to consumers with every purchase of a Windows-based computer; and that, as provided in TBMP §708, it is an electronically generated "version of an encyclopedia, the equivalent of which is available to the general public in libraries or of general circulation among members of the public." (*Id.* at 4.) Opposer contends that the *Microsoft Encarta Encyclopedia* CD-ROM does not exist in print and, therefore, it is not the electronic equivalent of a printed publication.

While a publication on CD-ROM is not a "printed" publication because it may not also appear on paper, it may be self-authenticating if it is analogous to a printed publication by being an identifiable version of the publication that is only subject to change by the issuance of a new version that is identifiably different from the previous version (e.g., the 2000 edition of an encyclopedia versus the 2005 edition of the same encyclopedia). It must also meet the requirement under Trademark Rule 2.122(e) of

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without notice, such excerpts would be analogous to print publications

being "available to the general public in libraries or of general circulation among members of the public or that segment of the public, which is relevant under an issue in a proceeding." In this case, applicant's Exhibit No. 14 to its notice of reliance, the 2001 edition of *Microsoft Encarta Encyclopedia*, which is stored on CD-ROM, meets the self-authenticating requirements of Trademark Rule 2.122(e), even though it may not be available in a paper format, and may be submitted by notice of reliance. Thus, this evidence has been considered and opposer's motion to strike this exhibit is denied.

Regarding the radio transcripts obtained from the LEXIS-NEXIS database, applicant contends that these documents are no less admissible than newspaper excerpts obtained from LEXIS-NEXIS; and that the transcript itself constitutes a printed publication that is the verbatim copy of the recorded material in each broadcast. Opposer contends that the types of publications that may be downloaded from LEXIS-NEXIS and submitted by notice of reliance are printed publications such as newspapers, not audio broadcast transcripts.

We find the same analysis applied to the encyclopedia on CD-ROM is applicable to this evidence. The radio programs were broadcast to the general public on a specific

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and amenable to submission by notice of reliance.

date and the exhibits represent the actual transcripts thereof, which were obtained from the LEXIS/NEXIS database. Both the nature of the exhibit, i.e., a transcript of an actual and identifiable radio broadcast, and the facts that it was broadcast to the general public, the transcript was made available to the general public, and it was obtained from a reliable database that is widely available to the public, lead us to conclude that it is self-authenticating and, thus, may be admitted in evidence by notice of reliance. Opposer's motion to strike this evidence is denied and Exhibit Nos. 34 and 40 have been considered.

*2. Applicant's Motion to Strike.*

Applicant objects to opposer's submission by notice of reliance of copies of a magazine article and a magazine advertisement (item nos. 5 and 42, respectively) which applicant contends are unauthenticated because they contain no source-identifying information other than opposer's handwritten notes thereon. Opposer contends that the submissions are from magazines that are printed publications within the meaning of Trademark Rule 2.122(e) and they are properly identified both by the handwritten notation on the copy and by the description in the notice of reliance.

We agree with opposer that there is no requirement that a party submit such a printed publication with a copy of the cover page or other identification from the publication

itself; rather, the description in the notice of reliance and the notation on the document are sufficient to identify the specific publication and provide the necessary authentication. Applicant's motion to strike this evidence is denied and the documents have been considered.

*Factual Findings*

Opposer owns and operates a resort known as The Cloister on Sea Island, Georgia.<sup>9</sup> The resort first opened in 1926 on a barrier island off the coast of Georgia. The island appears to have had several names historically, including Long Island, and was renamed Sea Island in the 1920's by Howard Coffin, the resort's founder and opposer's founding member. The resort has expanded and now includes property on St. Simons Island, a neighboring island, and a rustic mainland property known as Cabin Bluff. At its Sea Island and St. Simons Island locations, opposer offers all of the services normally associated with an exclusive resort. In addition to The Cloister, a hotel, the resort includes Sea Island Yacht Club and Marina and Sea Island Golf Club. The Sea Island name is also attached to spa and laundry services rendered in connection with the resort and

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<sup>9</sup> We note that opposer, in its brief, makes several statements of fact based on information contained in a book, *This Happy Isle*, which was submitted both by notice of reliance and as an exhibit to Ms. Tipton's deposition. However, unless a particular fact is corroborated by Ms. Tipton from her own knowledge, the information contained in the book is hearsay for the truth thereof. The book is probative evidence of the fact that a book was written about opposer's Sea Island resort, to which



to the rental of cottages that are part of the resort. Additionally, the Sea Island name is used in connection with photography services, landscaping services and service station services, all of which are rendered primarily in connection with the resort, but these businesses are also listed in the local telephone directory and used by the local community. Opposer's Sea Island Properties sells homes and home lots on St. Simons Island and Sea Island. In the past, opposer owned a shopping center known as The Shops at Sea Island and a hardware store known as True Value Sea Island Hardware, although opposer no longer operates the retail establishments at these properties, nor do these properties continue to use the Sea Island name.

Opposer has numerous products bearing the Sea Island name, such as clothing, personal care items and golf items, which it provides to guests and sells in its gift and pro shops. Opposer sells occasional furniture, such as stools, in its resort gift shops, but these items are identified by trademarks other than Sea Island. Further, there is no information in the record as to how many stools or other occasional furniture is sold in these shops.

Upon request, opposer will sell mattresses to guests. An invoice showing mattress purchases by opposer identifies the mattresses by various names other than Sea Island

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the public may have been exposed. Thus, we have not relied on the

(Confidential Ex. 8 to Tipton dep.). Ms. Tipton testified that mattresses sold to guests have labels, although she was unsure of whether the name used on these labels is Sea Island or Cloister (Tipton dep., p. 50-51). There is no information in the record as to how many mattresses have been sold to guests.

The resort targets an exclusive and affluent clientele.<sup>10</sup> At the time of trial, its daily room rates ranged from \$450 to \$1200; its home sites cost more than \$1 million; and its lowest home price was approximately \$1.75 million. Opposer's clientele comes from throughout the United States as well as from foreign countries. Ms. Tipton identified opposer's competitors as other exclusive resorts in the United States and around the world. Opposer promotes its resort and real estate services principally through its website and through publications and mailings to prior guests, existing resort members and persons who request information. Opposer also advertises The Cloister in "lifestyle" magazines such as *Town and Country*, *Travel & Leisure* and *Golf Magazine*; and targets its major markets for additional advertising. Ms. Tipton stated that a few of opposer's major markets are Atlanta, Washington D.C., Cincinnati and Philadelphia. (Tipton Dep., p. 16.) The

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information contained only in the book in making our factual findings.

record shows an advertising budget for 1998-1999 of approximately \$700,000 and for 2001-2002 of approximately \$500,000, primarily in magazine-type periodicals related to travel and leisure, lifestyle, and various sports such as golf and tennis. (Tipton Dep. Exh. 21 and 22.) Ms. Tipton stated that the advertising budget for 2002-2003 was doubled from the prior year.<sup>11</sup> (Tipton Dep. p. 94.) Opposer has not provided information regarding its revenues.

Opposer submitted excerpts from numerous magazines and newspapers, dating back to a 1941 *Life Magazine* article about "The Cloister on Sea Island ... a swank and exclusive resort." The following excerpts are from several of these magazines and newspapers:

*Business Week*, October 24, 1953 - "The Cloister Hotel - the hub of Sea Island, Georgia ..."

*Bride to Be Magazine*, Winter, 1955 - "The Golden Isles lie between Savannah and the Florida border" and "Sea Island and the Cloister Hotel - a complete resort ..."

*Time*, July 2, 1965 - "Sea Island, off the Georgia coast, is fringed by five miles of unspoiled beach ..."

*Town & Country*, January 1983 - "Sea Island, Georgia - the Spanish named this one of their Isles of Gold ..."

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<sup>10</sup> During the oral hearing, opposer's counsel asked the Board to take judicial notice of the fact that a recent summit of G8 nations was held on Sea island, Georgia. We decline to take judicial notice thereof.

<sup>11</sup> Ms. Tipton stated that these figures represent opposer's entire advertising budget for the respective years; and that Exhibits 21 and 22 to her deposition show the media, in this case all print, in which the advertising was placed. However, Ms. Tipton stated that there is occasionally additional money spent for "last minute" advertising opportunities that arise during the year. (Tipton Dep. p. 93.)

*Travel & Leisure*, April 1997 - "The Cloister ... located on Sea Island, one of the now famous ... barrier islands off the coast of Georgia ..."

*The Shooting Gazette*, March 1998 - "... The Cloister, one of America's top leisure resorts on Sea Island, off the coast of Georgia ..."

*Jr. Golfer*, March/April 1999 - "Welcome to Sea Island Georgia, the ideal golf oasis" and "What sets Sea Island apart from other resorts ..."

*Luxury Golf Homes & Resorts*, Holiday 1999 - "the famed Cloister resort on Sea Island, Georgia ..."

A number of publications reviewing resorts and listing favorite picks make the following comments about The Cloister at Sea Island:

*Travel & Leisure*, October 1998, ranks it number one in its list of the five best spas in the world;

*Shape*, October 1999, ranks it number eight in its list of the best spas; and

*Parents*, March 2000, ranks it "among the best family spas."

Ms. Tipton testified that opposer has considered the possibility of using the Sea Island mark in connection with a high end collection of furniture, noting that opposer owns a substantial stand of heartland pine that could be used in the manufacture of such furniture; and that opposer has been approached by a possible investor in such a venture. Ms. Tipton did not identify the investor and stated that any such plans are too preliminary to have been presented in any written documents.

Opposer submitted testimony, along with exhibits, by representatives of Pinehurst, a resort, and Biltmore Estate, an historical property that includes an inn. This evidence establishes that these two properties, as well as several other resorts and historical properties, such as Colonial Williamsburg, in Virginia, and Winterthur, in Delaware, have licensed collections of furniture using their resort or property names.<sup>12</sup> For example, Mr. Rosebrock, testifying on behalf of Biltmore Estate Reproductions, which is owned by Biltmore Estate, stated that licensees are permitted to manufacture either adaptations or exact replicas of furniture at the Biltmore Estate; that its products are "high-end" and aimed at affluent customers; that Biltmore Estate spends approximately \$50,000 per year advertising its furniture collection and that its peak revenue from furnishings was approximately \$140,000 about two years prior to this trial; and that the major share of Biltmore Estate's income comes from its estate tours and winery.

Applicant, the parent corporation, includes a manufacturing arm that manufactures furniture for applicant's retail arm, Value City Furniture (hereinafter "VCF"). VCF's furniture is manufactured both in the United

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<sup>12</sup> Mr. Rosebrock also stated that he was aware of sports and Hollywood personalities that licensed their names for use with items of furniture. Celebrities often license their names in connection with a variety of products, and we consider such to be a significantly different situation from the licensing of the name of an historic property for replica furniture.

States and in China. VCF stores are generally located in strip malls and often next to a Value City department store. VCF has furniture stores located in sixteen states, principally in the south.

Fifty-five percent of VCF's furniture is its own design and VCF offers primarily low-end furnishings. VCF's furniture is designed specifically for VCF by in-house designers or contracted designers from High Point, North Carolina. VCF's furniture collections have various names including Sedona, River Bend, Savannah, Santa Fe, Carmel, Carolina and Big Sky. It takes VCF approximately nine months to a year to design and bring a furniture collection to market. VCF is constantly evaluating the performance of its collections, adding and subtracting pieces from collections, and adding and dropping collections. Collections generally have a limited life, for example, a bedroom suite will remain in the store's lineup for three to four years on average.

Since November 1999, applicant has been using "Sea Island Collection" and "American Signature Sea Island Collection" on a line of furniture for dining rooms, bedrooms and living rooms. It is available only at VCF stores. The collection is principally made of pine and has two design themes - a rope twist and a bead board, also known as a cottage theme. Mr. Art Lanciers, VCF's general

merchandise manager, stated that the concept for the Sea Island Collection and for the choice of the name was to evoke a casual, carefree style of living. For example, advertising on its website, [www.vcf.com](http://www.vcf.com), refers to the Sea Island collection as "Timeless and casual ... offers you unpretentious comfort that meets modern life styles." Also, in advertising this collection, applicant uses island allusions in its advertising copy.

VCF had been using its mark American Signature with lines of upholstered furniture, and began using the mark with its wood furniture collections at about the time that the Sea Island Collection debuted. In addition to using American Signature in connection with its Sea Island Collection, VCF's other American Signature collections include, to name just two, Virginia Manor and Heirloom Pine.

Each of the VCF stores conducts its own advertising. VCF stores advertise on television, in newspapers, through advertising circulars, mass mailings and on point of purchase tags. VCF had been advertising on the Internet at its website for approximately a year at the time of trial, but VCF does not sell its furniture via the Internet.

The record includes definitions from four dictionaries and one encyclopedia of the term "Sea Islands." In each case, it is defined as a group or chain of islands in the Atlantic off the coasts of South Carolina, Georgia and

northern Florida. The record also includes twenty-eight excerpts from various newspapers, magazines and books that either use the term "Sea Island(s)" as defined above or refer to a business with "Sea Island(s)" in the name that is located on or near the above-described Sea Islands. The following are several examples:

*The Post and Courier* (Charleston, S.C.), January 30, 2003, article about the Sea Island Comprehensive Health Care Corporation, "located on St. Johns Island, with services also to Edisto, James, Johns, and Wadmalaw Islands and Hollywood and Walterboro."

*San Antonio Express-News*, December 27, 2002, article reviewing the Sea Island Shrimp House, which is apparently a local restaurant.

*Atlanta Journal and Constitution*, July 17, 2002, article about Ted Turner fighting with "the Gullah" of St. Helena Island, S.C., about real estate. The article describes the Gullah as "descended from slaves who inhabited the Sea Islands."

*Chicago Daily Herald*, June 23, 2002, article about beach rentals in areas including the Outer Banks of North Carolina and "... Kiawah Island and the other Charleston, South Carolina, Sea Islands."

*Los Angeles Times*, May 26, 2002, article about the Sapelo Island settlement, which is described as part of the "Sea Islands ... a chain of barrier islands hugging the coast from South Carolina to northern Florida."

*The Atlanta Journal and Constitution*, December 9, 2001, byline states "Also in this issue: a visit to South Carolina's easygoing Sea Islands, where African traditions are maintained and the lilting Gullah language continues to be spoken."

*The Washington Post*, October 22, 2000, article about Beaufort, S.C., which is characterized as "the semi-official headquarters of South



Carolina's Sea Islands ... hundreds of barely charted, Gilligan-size places."

The Post and Courier (Charleston, S.C.), June 3, 2001, article about a family boat building event and the Sea Island Boatworks.

*The State* (Columbia, S.C.), April 15, 2001, article about the Sea Island Veterinary Hospital on James Island.

*The Treasure Coast Business Journal* (Vero Beach, FL), March 1, 2001, article about Sea Island Plantation, just north of John Island in Vero Beach.

*Sea Island Seasons* (African World Press Inc., 1980), a cookbook published by the Beaufort County Open Land Trust.

*Reminiscences of Sea Island Heritage: Legacy of Freedmen on St. Helena Island* (Sandlapper Publisher, Inc., 1986), a book about former slaves on isolated St. Helena Island.

Applicant also submitted testimony of eleven third parties, all of whom adopted their business names, shown below, because they are located in or near the area defined as the Sea Islands or to evoke the image of a sea island:

Sea Island Marine

Sea Island Chiropractic Center

Sea Island Company of Hilton Head, Inc.

Sea Island Aviation International, Inc.

Best Western Sea Island Inn

Sea Island Tile

Sea Island Art Gallery

Sea Island Apartment Motel

Wild Dunes Resort/Sea Island Grill

Sea Island Boatworks, Inc.

Only a minority of these third-party deponents knew of opposer's resort and its location. None had been contacted by opposer in relation to their use of Sea Island in their respective business names.

*Analysis*

Inasmuch as certified copies of opposer's registrations are of record, there is no issue with respect to opposer's priority. *King Candy Co., Inc. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

Our determination of likelihood of confusion under Section 2(d) must be based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also, *In re Majestic Distilling Company, Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003). In considering the evidence of record on these factors, we keep in mind that "[t]he fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks." *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24 (CCPA 1976). See also *In re Azteca Restaurant Enterprises, Inc.*, 50 USPQ2d 1209 (TTAB 1999) and the cases cited therein.

Opposer contends that the parties' marks are "nearly identical" (Brief, p. 23); that opposer's SEA ISLAND marks are strong and entitled to a broad scope of protection because its marks have been used and extensively advertised in connection with a wide range of goods and services for over seventy-five years; and that the marks have become famous. Regarding applicant's evidence of third-party uses of SEA ISLAND as a mark, opposer contends that such uses are limited to small businesses in a geographically restricted area; that there is no evidence that any of these third-party marks has been promoted so as to be recognized by a substantial number of consumers; and that opposer has been vigilant in policing its marks, including negotiating settlements with third-party users and successfully canceling a third-party registration.

Regarding the parties' goods and services, opposer contends that affinity branding is common in the furniture industry, noting that similar resorts, such as Pinehurst Resort and Biltmore Estates, have licensed their names in connection with the manufacture of furniture; that opposer is exploring the possibility of manufacturing furniture under the SEA ISLAND mark, or licensing the use of the mark to furniture manufacturers; that opposer owns property with standing timber, the use of which opposer has investigated; and that opposer's expansion into home furnishings would be

a normal business expansion. Opposer also contends that it has sold occasional furniture items in its resort gift shop and through a local hardware store previously owned by opposer, albeit not under the SEA ISLAND mark; and that its purchasing department has sold mattresses and other furniture items to guests. Opposer contends that applicant and opposer advertise in the same media to the same general consumers.

Applicant contends that confusion is unlikely because the marks are not identical and its AMERICAN SIGNATURE "house mark" distinguishes the marks, as does the term COLLECTION; that SEA ISLAND is a weak mark, stating that SEA ISLAND refers to the chain of islands off the coasts of South Carolina, Georgia and Florida; and that opposer's resort is located within the Sea Island chain of islands. Applicant notes that there is ubiquitous use of SEA ISLAND by third parties in connection with a wide variety of goods and services located in the same geographic region as opposer. Applicant also contends that opposer has not established that its mark is famous, stating that it has submitted no evidence of brand awareness.

Regarding the parties' goods and services, applicant contends that applicant's goods and opposer's services are entirely unrelated; that the goods sold by opposer under the SEA ISLAND mark are principally ancillary to its resort

services; that opposer has presented no evidence that it has used the SEA ISLAND mark in connection with furniture; that opposer's mattress sales are sporadic at best and there is no evidence that any mattresses sold bore the SEA ISLAND mark; and that opposer has not established its intention to expand into the manufacture and sale of furniture, nor is this within opposer's natural zone of expansion of its resort services.<sup>13</sup>

Applicant argues that the purchasers of the parties' respective goods and services differ significantly, noting that it sells to the "lower-end" consumer, whereas opposer's resort services are exclusive, expensive and offered to a high-end discriminating clientele; that opposer advertises principally to prior customers and receives substantial promotion through "unsolicited editorial recognition" in glossy magazines, whereas applicant advertises principally in newspaper inserts, direct mailings and local radio spots; and that the trade channels for the respective goods and services are entirely different.

We begin our analysis with the factor of fame since fame of the prior mark plays a dominant role in cases featuring a famous or strong mark. *Kenner Parker Toys*

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<sup>13</sup> Applicant states that there are hundreds of resorts in the United states and opposer has identified only one, the Pinehurst Resort, that has "affinity branding" on furniture, noting that the Biltmore Estate is not a resort; and, further, that affinity branding by Pinehurst and Biltmore involves promotion which draws a very close and specific connection to the respective properties.

*Inc. v. Rose Art Industries Inc.*, 963 F.2d 350, 22 USPQ2d 1453 (Fed. Cir. 1992). As a mark's fame increases, the Trademark Act's tolerance for similarities in competing marks falls. *Id.*, 22 USPQ2d at 1456. However, in this case we find that opposer has not established that its SEA ISLAND mark is a famous mark. While opposer has used its SEA ISLAND mark for approximately 80 years, it primarily uses it in connection with its mark THE CLOISTER, which is the name of its resort hotel, and it uses SEA ISLAND to indicate the geographic location of THE CLOISTER resort. While there is no question that opposer uses SEA ISLAND as a mark in connection with the various services and goods identified in its registrations, the term as used by third parties refers primarily to opposer's resort services along with the mark THE CLOISTER to indicate the location of the resort on Sea Island. There is no question that the chain of islands of which opposer's Sea Island is a part is referred to as the Sea Islands. It is highly likely that this fact played a significant part in opposer's founder's decision to name the island Sea Island. Thus, although opposer has shown that its SEA ISLAND mark has acquired distinctiveness as a mark, and we note that its registrations issued pursuant to Section 2(f) of the Trademark Act as to this term, it is not a particularly strong mark in that the geographic meaning of Sea Island still receives recognition and publicity.

Regardless of the fact that opposer has used its mark for a significant amount of time, opposer has provided no sales figures and its annual advertising expenditures for the years shown is not impressive. Opposer has shown that its resort, The Cloister on Sea Island, has been the subject of great praise and reviews in the press. This popularity, however, does not amount to a showing of legal fame of SEA ISLAND either alone or with The Cloister. See *Bose Corp. v QSC Audio Products Inc.*, 293 F.3d 1367, 63 USPQ2d 1303, 1309 (Fed. Cir. 2002) (evidence of widespread unsolicited publicity may lend "confirmatory context" to competent evidence of fame such as sales and advertising numbers). In this case, opposer has provided minimal evidence of advertising, no evidence of sales revenues, and no evidence establishing brand awareness. There is too little evidence of fame for the evidence of third-party publicity to "confirm." Thus, opposer has not established fame and this *duPont* factor is neutral.

Turning to the marks, we note that while we must base our determination on a comparison of the marks in their entireties, we are guided, equally, by the well-established principle that, in articulating reasons for reaching a conclusion on the issue of confusion, "there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark,

provided the ultimate conclusion rests on consideration of the marks in their entireties." *In re National Data Corp.*, 732 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985).

The term COLLECTION in applicant's mark, SEA ISLAND COLLECTION, is unquestionably descriptive, if not generic, in connection with a line of furniture. Thus, the dominant portion of this mark is the first two words, SEA ISLAND. Similarly, several of opposer's marks are for the term SEA ISLAND alone. Additionally, Registration No. 1338347 is for the mark SEA ISLAND in a green script, which is a minimal design element; and several of its other marks include one of the descriptive terms BEACH CLUB or YACHT CLUB or CLASSIC. Thus, SEA ISLAND is clearly the dominant portion of these marks. Opposer's two remaining pleaded and established marks include a shield design in addition to the term SEA ISLAND or SEA ISLAND BEACH CLUB, respectively. While this design is also dominant in the mark, it does not predominate over the word portions of those marks, as it is the words that consumers are likely to use in referring to the identified goods and services. The SEA ISLAND portions of the parties' mark are identical in appearance and sound. Whether construed as referring to any island in the sea or to the particular chain of islands described herein, both



parties' marks' connotations are the same.<sup>14</sup> We conclude that the commercial impression of applicant's mark SEA ISLAND COLLECTION is sufficiently similar to the commercial impressions of opposer's marks that, if registered for the same or related goods and services, confusion as to source is likely.

However, we reach a different conclusion with respect to applicant's mark AMERICAN SIGNATURE SEA ISLAND COLLECTION. There is no evidence in the record that the AMERICAN SIGNATURE portion of applicant's mark is merely descriptive or otherwise a weak portion of the mark. However, there is evidence of fairly extensive use of the term "Sea Island" by third-party businesses located in the coastal areas of South Carolina, Georgia and Florida, and the record includes dictionary/encyclopedia definitions of "Sea Islands" as the chain of islands in this geographic area. This evidence indicates that SEA ISLAND is a fairly weak mark or portion of a mark. Furthermore, AMERICAN SIGNATURE gains dominance by being the first term in the mark. Thus, it is at least equal in dominance to the term SEA ISLAND in the mark as a whole. We find that the addition of the term AMERICAN SIGNATURE to the term SEA ISLAND COLLECTION is sufficient to distinguish this mark

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<sup>14</sup> As has been established, opposer's SEA ISLAND also functions as a mark to connote opposer's named Sea Island. Whether applicant's use in

from opposer's marks in sound, appearance, connotation and commercial impression, even if used on the same or related goods or services. The *duPont* factor pertaining to the marks weighs in opposer's favor with respect to applicant's mark SEA ISLAND COLLECTION, and weighs in applicant's favor with respect to applicant's mark AMERICAN SIGNATURE SEA ISLAND COLLECTION.

We consider now the goods and services of the parties. Registration No. 1885428 for the mark SEA ISLAND BEACH CLUB includes snack bar services, restaurant services and cocktail lounge services. The record is devoid of evidence that these services are related in any way to applicant's identified goods and services. Opposer's registration includes "retail gift shop services." There is evidence that opposer sells small items of furniture, such as stools, in its gift shops. However, opposer's witness stated that such items are sold under different marks. There is no evidence that gift shops, particularly resort gift shops, regularly sell furniture or that such furniture is identified by the same marks used to identify the gift shop services. Thus, opposer has not established that its gift shop services are sufficiently similar or related to applicant's goods and services that confusion would be

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its marks of the term SEA ISLAND also connotes opposer's particular island is essentially the question that we must determine herein.

likely, even if such goods and services were identified by confusingly similar marks.

There is also absolutely no evidence in the record that any of the wide-ranging goods and services identified in Registration Nos. 1887573, 1888148, 2200173, 2196269, 1584853, 1588010 or 1789075 are in any way related or similar to applicant's goods and services such that, if identified by confusingly similar marks, confusion as to source is likely. The same is true with respect to all of the goods and services identified in Registration Nos. 1338346 and 1338347, except for the "resort services" identified in each of these two registrations.

Opposer has submitted evidence seeking to establish that its resort services are related to applicant's identified furniture products and retail services. This includes a vague statement by its witness, Ms. Tipton, that opposer has considered manufacturing and selling a line of furniture based on the style of the furniture available at its resort; that offering a related line of furniture is common for companies in the resort field; that third-party properties have licensed and sold lines of furniture; that such sales would be a natural expansion of opposer's resort services; and that the occasional sale of mattresses by opposer to its guests supports its arguments in this regard. We find opposer's evidence of its possible intentions to

manufacture and sell furniture and its references to mattress sales (with no sales numbers and Ms. Tipton's uncertainty as to the trademark used on the mattresses) too vague to be probative. Similarly, opposer's evidence of third parties who may license lines of furniture are, with the exception of Pinehurst, primarily historic properties, although they may include inn facilities, and, thus, not entirely analogous to opposer's resort; and that these third parties, as reflected in this record, are relatively few in number. This evidence is insufficient to establish that manufacturing or licensing a line of furniture is a natural expansion of opposer's resort services, or that consumers seeing the term Sea Island on furniture at a retail facility distant from and unrelated to opposer's resort services are likely to believe that opposer is the source of that line of furniture. In conclusion, we find that opposer has not established that applicant's and opposer's respective goods and services are similar or related in such a way that, even if identified by identical marks, confusion as to source is likely. This *duPont* factor weighs strongly in applicant's favor.

We note that we do not agree with applicant's allegation that the channels of trade and classes of purchasers are different because applicant's furniture sales and retail services are targeted to low-end furniture

purchasers and its furniture is sold only in its retail stores, whereas opposer's goods and services are targeted to affluent discriminating purchasers and available only at its resort. Both opposer's and applicant's identifications of goods and services are broadly worded, without any limitations as to channels of trade or classes of purchasers. Thus, we must presume that the goods and services of the applicant and opposer are sold in all of the normal channels of trade to all of the usual purchasers for goods and services of the type identified. See *Canadian Imperial Bank v. Wells Fargo*, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). Additionally, there is no evidence of any intent on applicant's part to trade on opposer's goodwill in its marks, nor is there evidence of actual confusion.

Quoting from an earlier decision, our primary reviewing court made the following statement in *Electronic Design & Sales Inc. v. Electronic Data Systems Corp.*, 954 F.2d 713, 21 USPQ2d 1388, 1391 (Fed. Cir.1992):

As one of our predecessor courts, the Court of Customs and Patent Appeals, stated in *Witco Chem. Co. v Whitfield Chem. Co.*, 418 F.2d 1403, 1405, 164 USPQ 43, 44-45 (CCPA 1969), affg, 153 USPQ 412 (TTAB 1967):

We are not concerned with mere theoretical possibilities of confusion, deception, or mistake or with de minimis situations but with the practicalities of the commercial world, with which the trademark laws deal.

In conclusion, we find that opposer has failed to establish that a likelihood of confusion exists between

applicant's marks and opposer's marks in connection with their respective identified goods and services.

*Geographic Deceptive Misdescriptiveness*

Opposer contends that applicant's use of the term AMERICAN<sup>15</sup> in its mark AMERICAN SIGNATURE SEA ISLAND COLLECTION causes the mark to be primarily geographically deceptively misdescriptive. Opposer argues that the use of the term AMERICAN in the mark will indicate to consumers that the goods originate in the United States; that the goods do not originate in the United States because applicant's furniture is manufactured in China and is not made from wood grown in the United States; and, essentially, that the use of AMERICAN in connection therewith is *per se* geographically deceptively misdescriptive.

Applicant contends that the AMERICAN portion of its mark is not primarily geographically deceptively misdescriptive, stating that its witness did not unequivocally testify that its furniture was manufactured in China; that the AMERICAN portion of its mark AMERICAN SIGNATURE SEA ISLAND COLLECTION merely conveys the style of furniture to which it relates; that it does not convey geographic origin; and that the AMERICAN SIGNATURE portion

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<sup>15</sup> It is clear from the notice of opposition and opposer's brief, as well as counsel's remarks at the oral hearing, that opposer's claim pertains only to the American portion of applicant's marks, not to the Sea Island portion.

of its mark has been previously registered and is applicant's "private label brand."<sup>16</sup>

We find that opposer has failed to meet its burden of proof. Opposer has not established that applicant's mark is primarily geographically deceptively misdescriptive.

In the case of *In re California Innovations, Inc.*, 329 F.3d 1334 (Fed. Cir.2003), the Court emphasized the importance of materiality in determining this issue. The Court stated: "To ensure a showing of deceptiveness ... the PTO may not deny registration [under section 2(e)(3)] without a showing that the goods-place association made by the consumer is material to the consumer's decision to purchase those goods." Therefore, a mark is primarily geographically deceptively misdescriptive if (1) the primary significance of the mark is a generally known geographic location, (2) the consuming public is likely to believe the place identified by the mark indicates the origin of the goods [or services] bearing the mark, when in fact the goods [or services] do not come from that place, and (3) the misrepresentation was a material factor in the consumer's decision. *Id.* at 1341.

Following the *California Innovations* decision, the court addressed this standard in relation to a service mark

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<sup>16</sup> Although applicant briefly refers to the AMERICAN SIGNATURE portion of this mark as its "private label," applicant has not established

in the case of *In re Les Halles De Paris J.V.*, 334 F.3d 1371, 67 USPQ2d 1539 (Fed. Cir. 2003) (Court reversed the Board decision that LE MARAIS is primarily geographically deceptively misdescriptive in connection with restaurant services, concluding that Board's decision failed to show a services-place association or the materiality of that association to a patron's decision to patronize applicant's restaurant). The Court made the following statements:

This court recognizes that the standard under section 2(e)(3) is more difficult to satisfy for service marks than for marks on goods. In fact, ..., geographic marks in connection with services are less likely to mislead the public than geographic marks on goods.

. . .

To raise an inference of deception or materiality for a service mark, the PTO must show some heightened association between the services and the relevant geographic denotation. ... In other words, an inference of materiality arises in the event of a very strong services-place association. Without a particularly strong services-place association, an inference would not arise, leaving the PTO to seek direct evidence of materiality.

In the case before us, opposer has submitted argument but no evidence in support of its contentions. First, opposer has not established that the AMERICAN portion of applicant's mark, AMERICAN SIGNATURE SEA ISLAND COLLECTION, would be understood as indicating a geographic location. It is equally likely that purchasers would understand the phrase AMERICAN SIGNATURE as indicative of a style of

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herein that it is a house mark and we do not consider it to be a house mark.



furniture. Secondly, even if AMERICAN were perceived as indicating a geographic location, this is not necessarily false as applicant's witness, Mr. Art Lanciers, stated that, while some of the goods are manufactured in China, some are manufactured in the United States. Further, he stated that all of applicant's furniture is designed in the United States and sold through applicant's stores in the United States. There is no evidence indicating whether, in relation to the goods and services at issue, both the elements of manufacture and design should take place in the United States for the term AMERICAN, if it was considered a geographic location, to be false in this context. Finally, and of most importance, there is absolutely no evidence establishing the materiality of the geographic source of the goods or services to purchasers. Thus, we conclude that opposer has not established that the mark is primarily geographically deceptively misdescriptive.

*Decision:* The opposition is dismissed.